NOTICE OF PROPOSED NEW RULE

- The agency identified below in box 1 provides notice of proposed rule change pursuant to Utah Code Section 63G-3-301 and Subsection 53C-1-201(3)(c).
- Please address questions regarding information on this notice to the agency.
- The full text of all rule filings is published in the Utah State Bulletin unless excluded because of space constraints.

• The full text of all rule filings may also be inspected at the Division of Administrative Rules.

-Agency Information-

1. Agency: Environmental Quality - Air Quality

Room no.: Fourth Floor

Building:

Street address 1: 195 N 1950 W

Street address 2:

City, state, zip: SALT LAKE CITY UT 84116-3085

Mailing address 1: PO BOX 144820

Mailing address 2:

City, state, zip: SALT LAKE CITY UT 84114-4820

Contact person(s):

Name: Phone: Fax: E-mail:

Mark Berger | 801-536-4000 | 801-536-0085 | mberger@utah.gov

(Interested persons may inspect this filing at the above address or at DAR during business hours)

Rule Information

DAR file no: 38582 Date filed: 06/05/2014 02:06 PM

State Admin Rule Filing Key: 155298 Utah Admin. Code ref. (R no.): R 307 - 504 -

-Title-

2. Title of rule or section (catchline):

Oil and Gas Industry: Tank Truck Loading

-Notice Type-

3. Type of notice: New Rule

Rule Purpose

4. Purpose of the rule or reason for the change:

In 2012, the State of Utah entered into EPA's Ozone Advance Program with the goal to proactively lower ozone values in the Uinta Basin. Ozone is created by photochemical reaction, and the main precursors are volatile organic compounds (VOC) and (NOx). In the Uinta Basin, oil and gas production accounts for 97% of anthropogenic VOC emissions. This proposed rule is one of four that the Air Quality Board has proposed as the first phase to combat high ozone levels by lowering VOC emissions. The proposed General Approval Order for a Crude Oil and Natural Gas Well Site and/or Tank Battery contains a requirement that all tanker trucks loading on-site use either bottom filling or submerged filling to reduce VOC emissions created by splashing of liquids when loading oil, condensate, or produced water. R307-504 would expand this requirement to all existing operations. DAQ estimates that this change could reduce VOC emissions due to tank truck loading by about 59% (1,017 tons/year in the Uinta Basin in 2015).

Response Information-

5. This change is a response to comments by the Administrative Rules Review Committee.

No

Rule Summary

6. Summary of the rule or change:

After January 1, 2015, tank trucks used for intermediate hydrocarbon liquid or produced water will be required to load using bottom filling or submerged fill pipe. The proposed rule applies to any person who loads or permits the loading of any intermediate hydrocarbon liquid or produced water at a well production facility.

Aggregate Cost Information

7. Aggregate anticipated cost or savings to:

A) State budget:

Affected: No

There are no new requirements for the State of Utah; therefore, there are no anticipated costs or savings.

B) Local government:

Affected: No

There are no new requirements for local governments; therefore, there are no anticipated costs or savings.

C) Small businesses:

Affected: No

("small business" means a business employing fewer than 50 persons)

It is anticipated that this rule only applies to businesses with more than 50 employees; therefore, there are no anticipated costs or savings.

D) Persons other than small businesses, businesses, or local government entities:

Affected: No

("person" means any individual, partnership, corporation, association, governmental entity, or public or private organization of any character other than an agency)

Because this rule does not have any new requirements for persons other than small businesses, businesses, or local government entities, there are no anticipated costs or savings.

Compliance Cost Information

8. Compliance costs for affected persons:

In practice, many trucks are already equipped to meet the requirements of this proposed rule. Top loading trucks can be inexpensively retrofitted by installing a pipe at the inlet to ensure that liquids are loaded using submerged fill inserted of splash loading, so that compliance costs for affected persons should be minimal.

Department Head Comments—

9. A) Comments by the department head on the fiscal impact the rule may have on businesses:

In practice, many trucks are already equipped to meet the requirements of this proposed rule. Top loading trucks can be inexpensively retrofitted by installing a pipe at the inlet to ensure that liquids are loaded using submerged fill inserted of splash loading, so that the fiscal impact of this rule on businesses should be minimal.

B) Name and title of department head commenting on the fiscal impacts:

Amanda Smith, Executive Director

Citation Information

10. This rule change is authorized or mandated by state law, and implements or interprets the following state and federal laws.

State code or constitution citations (required) (e.g., Section 63G-3-402; Subsection 63G-3-601(3); Article IV) : 19-2-104(1)(a)

Incorporated Materials

11. This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to DAR; if none, leave blank):

Official Title of Materials Incorporated (from title page):

Publisher:

Date Issued:

Issue, or version:

ISBN Number:

ISSN Number:

1.D. C

Cost of Incorporated Reference: Adds, updates, removes:

-Comments

12. The public may submit written or oral comments to the agency identified in box 1. (The public may also request a hearing by submitting a written request to the agency. The agency is required to hold a hearing if it receives requests from ten interested persons or from an association having not fewer than ten members. Additionally, the request must be received by the agency not more than 15 days after the publication of this rule in the Utah State Bulletin. See Section 63G-3-302 and Rule R15-1 for more information.)

A) Comments will be accepted until 5:00 p.m. on (mm/dd/yyyy):

07/31/2014

B) A public hearing (optional) will be held:

On (mm/dd/yyyy): At (hh:mm AM/PM): At (place):

Proposed Effective Date

13. This rule change may become effective on (mm/dd/yyyy):

09/04/2014

NOTE: The date above is the date on which this rule MAY become effective. It is NOT the effective date. After a minimum of seven days following the date designated in Box 12(A) above, the agency must submit a Notice of Effective Date to the Division of Administrative Rules to make this rule effective. Failure to submit a Notice of Effective Date will result in this rule lapsing and will require the agency to start the rulemaking process over.

-Indexing Information-

14. Indexing information - keywords (maximum of four, in lower case, except for acronyms (e.g., "GRAMA") or proper nouns (e.g., "Medicaid")):

air pollution

gas

oil

-File Information-

15. Attach an RTF document containing the text of this rule change (filename):

There is a document associated with this rule filing.

To the Agency

Information requested on this form is required by Sections 63G-3-301, 302, 303, and 402. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the Utah State Bulletin, and delaying the first possible effective date.

Agency Authorization

Agency head or designee, and title:

Bryce Bird Director

Date (mm/dd/yyyy): 06/05/2014